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TRADE AND DEVELOPMENT BOARD

DRAFT STATEMENT OF THE CHAIRMAN OF THE INFORMAL CONSULTATIONS ON THE DRAFT TERMS OF REFERENCE OF THE AD HOC WORKING GROUP TO EXPLORE THE ISSUE OF STRUCTURAL ADJUSTMENT FOR THE TRANSITION TO DISARMAMENT

1. Pursuant to Trade and Development Board decision 399(XXXIX), informal consultations were held on 30 September and on 11 and 12 November 1993 with regard to the terms of reference of the Ad Hoc Working Group to Explore the Issue of Structural Adjustment for the Transition to Disarmament. These consultations were chaired by H.E. Ambassador Gündüz Aktan (Turkey), President of the thirty-ninth session of the Trade and Development Board.

2. In the course of those consultations a number of understandings were reached relating to the background of the Ad Hoc Working Group's proposed activities, and to the framework within which its mandate would be implemented.

3. It was recognized that issues related to the determination of the size and character of military expenditure of any individual country remained outside the scope of the Ad Hoc Working Group's mandate, and would continue to be determined by governments in the light of their perceptions of national, regional and global security requirements. The purpose of the Working Group was to allow those countries that had already decided to reduce arms expenditures to examine together the various issues that will determine the net economic benefits from such a course of action, and allow those other countries that so wish to be privy to the discussion of the economic costs and benefits of various approaches to issues in this area. In this connection, it was recalled that participation in Ad Hoc Working Groups was not mandatory, and it was understood that the situation of a country not participating in this Group would not be examined, and that the experiences of countries participating in the Group would be examined only with the concurrence and active collaboration of the country concerned.

4. It was further recognized that there were considerable differences in the situations faced by individual countries, with both problems and opportunities confronting militarily significant countries being relatively large, and therefore necessarily taking on greater importance. In addition, it was considered that a proper balance between the national and international dimensions of the issues being considered should be maintained, and that possible opportunities to enhance international cooperation for development should be constantly borne in mind.

5. The members of the Board participating in the informal consultations have taken note of this statement, and agree that it can serve as an authoritative guide to the understanding and implementation of the terms of reference to be agreed by the Trade and Development Board.

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